



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2009 Biennium

<b>Bill #</b>	SB0440	<b>Title:</b>	Revise membership of workforce investment boards-- add military veteran
<b>Primary Sponsor:</b>	Tropila, Joseph (Joe)	<b>Status:</b>	As Introduced

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact     | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns   |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts           | <input type="checkbox"/> Dedicated Revenue Form Attached |

### FISCAL SUMMARY

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
<b>Expenditures:</b>				
Federal Special Revenue	\$7,422	\$7,422	\$7,422	\$7,422
<b>Revenue:</b>				
Federal Special Revenue	\$0	\$0	\$0	\$0
<b>Net Impact-General Fund Balance</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

### Description of Fiscal Impact:

The fiscal impact is a result of the cost increase of honorarium and per diem due to adding members to the State Workforce Investment Board.

### FISCAL ANALYSIS

#### Assumptions:

1. The bill could require the addition of two board members. For this fiscal note the cost of two new members is shown, but if the new Veteran's Representative is a non-government representative, then the costs of this proposed legislation would be cut in half.
2. All members of the State Workforce Investment Board (SWIB) are paid an honorarium and per diem to attend and participate at board and committee meetings.
3. The SWIB meets minimum of 4 times a year for two days. SWIB members serve on committees meeting a minimum of 4 times a year in conjunction with SWIB meetings, however most meet outside of SWIB meeting times 2-4 times additionally.

4. An honorarium and per diem is paid for meals, lodging, and mileage. The honorarium is \$25.00 per day and per diem is as follows: Lodging approximately \$71.69 per night (including tax); Meals, \$23.00 per day; and Mileage - \$0.485 per mile.
5. Mileage is an average of 864 miles round trip for a total of \$419.04.
6. The fiscal impact per each additional board member is \$3,711.14 based on the assumptions above and is calculated as follows:
  - a. Honorarium - \$25/day X 2 days per meeting X 4 meetings per year + 2 committee meetings per year = \$250.00
  - b. Lodging - \$71.69 per night X 2 nights per meeting X 4 meetings per year + 2 nights for committee meetings = \$716.90
  - c. Meals - \$23.00 per day X 2 days per meeting X 4 meetings per year + 2 days of committee meetings = \$230.00
  - d. Mileage - \$419.04 average mileage cost X 6 meeting per year (4 board + 2 committee) = \$2,514.24

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
<b><u>Fiscal Impact:</u></b>				
<b><u>Expenditures:</u></b>				
Operating Expenses	\$7,422	\$7,422	\$7,422	\$7,422
<b><u>Funding of Expenditures:</u></b>				
Federal Special Revenue (03)	\$7,422	\$7,422	\$7,422	\$7,422
<b><u>Revenues:</u></b>				
Federal Special Revenue (03)	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0
<b>TOTAL Revenues</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b>				
Federal Special Revenue (03)	(\$7,422)	(\$7,422)	(\$7,422)	(\$7,422)

**Technical Notes:**

1. Veterans are already represented on the State Workforce Investment Board SWIB. A mandatory veteran representative is under Section 1 (2) (B)(vi), “representatives of state agencies who are responsible for the programs and activities that are carried out by the one-stop centers, including but not limited to:...” Montana Department of Labor & Industry Commissioner is part of the board and represents programs of the department. Two of those programs are the Disabled Veterans Outreach Program (DVOP) and the Local Veterans Employment Representative (LVER).
2. WIA Federal Law (Public Law 105-220, Subtitle B-Statewide and Local Workforce Investment Systems, Sec.111 State Workforce Investment Boards, (b), (3) Majority. - A majority of members of the State Board shall be representatives describe in paragraph (1)(C)(i), which describes business representation.) Therefore, a minimum of 51% of the SWIB must be private business. If the Veterans Representative is government then it would require the addition of another private business representative to make the 51% ratio. The bill could require the addition of two board members.

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Sponsor's Initials\_\_\_\_\_  
Date\_\_\_\_\_  
Budget Director's Initials\_\_\_\_\_  
Date